

Proposed Process Tasks¹

| Tasks | Task Description | 2004 | | | | 2005 | 2006 |
|---|---|---------------------------|-----------|-----------|-----------|-------------|-------------|
| | | Q1 | Q2 | Q3 | Q4 | | |
| 1. General Technical² (Flesh out the Beginning State) | (a) Beginning State Transmission Service Process (Transmission Services Liaison Group) o Expanded definition of beginning state o Consolidated control area o Contract/tariff structure for service (w/Legal Group) | X | X | X | X | | |
| | (b) Pricing for Beginning State | X | | | | | |
| | (c) Facilities | X | X | | | | |
| | (d) Address BPA Specific Issues o GTA | X | X | X | ? | | |
| | o Contract lock | | | X | X | | |
| 2. Regional Approvals | (a) Approvals: o State filings o BPA process | <i>(To be determined)</i> | | | | | |
| | (b) Cost-benefit | <i>(To be determined)</i> | | | | | |
| 3. Early Board Creation | (a) Develop proposal for effective, independent counter party o Reduced number of trustees? o Funding certainty with sunset provisions? o Engage staff? o Authority to complete detailed development? o Provision for stakeholder involvement? o Resolution of tort liability issues? | X | | | | | |
| | (b) Implement Proposal | | X | X | | | |

¹ This table is intended to depict an overall view of the tasks that the Process Group thought need to be accomplished, not who is responsible for accomplishing them.

² Work on these tasks will continue throughout 2004, with completed work and unresolved issues handed off to the independent entity board when formed to provide a basis for Detailed Development.

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|-------------------------|---|--------------------|----|----|----|---------------|------|
| | | Q1 | Q2 | Q3 | Q4 | | |
| | (c) Elect IE Early Board | | | | X | | |
| 4. Funding | (a) Develop plan for costs and funding commitments and allocation of funding | X | | | | | |
| | (b) Execute funding agreement (single or multi-year?) | | X | | | | |
| | (c) Funding plan for initial operational phase | (To be determined) | | | | | |
| 5. Detailed Development | Develop and negotiate proposal details: <ul style="list-style-type: none"> o General technical activities handed off to IE o Develop TOA o Prepare Tariff o Offer TOA to transmission owners | | | | | X | |
| 6. FERC Approval | FERC approval: <ul style="list-style-type: none"> o Governance | | ? | | | | |
| | <ul style="list-style-type: none"> o TOA and/or Tariff | | | | | X | |
| 7. Commencement | Initiate Beginning State: <ul style="list-style-type: none"> o Execute TOAs o Board membership and authority expanded o Build organization o Commence staged operations | | | | | (As feasible) | |

Proposed Approach to Technical Work on Transmission Service Process for Beginning State [General Technical Task 1(a)]

